

State of California



Fair Political Practices Commission

P.O. BOX 807 • SACRAMENTO, 95804 • • • 1100 K STREET BUILDING, SACRAMENTO, 95814

Technical Assistance
(916) 322-5662

• • Administration • •
322-5660

• • Executive/Legal • •
322-5901

• • Enforcement • •
322-6441

• • Statements of Economic Interest
322-6444

March 2, 1984

Thurman White
2863 - 67th Avenue
Sacramento, CA 95822

Re: Your Request for Advice
Our No. A-84-021

Dear Mr. White:

You have made a telephone request for advice, which was rendered to you that date (2/3/84); however, you also asked that our advice to you be confirmed in writing; that is the purpose of this letter.

FACTS

You are a consultant with the California Legislature, working for the Assembly Committee on Utilities and Commerce. In addition to yourself, the Committee has two Principal Consultants. You are an attorney and, in addition, you have ownership interests in two business entities involved with the television industry. In one case you have a 25% or more interest in a group applying for a UHF TV station license (issued by the Federal government). Your investment in this business entity exceeds \$1,000. In the other instance you again have a 25% or more interest in an engineering and construction firm which seeks to do business with a cable TV company. This is also worth more than \$1,000. The Utilities and Commerce Committee handles some legislation involving policy questions relating to cable TV.

QUESTION

You have asked for our advice on whether you may engage in the outside practice of law and as to what potential conflicts

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of interest issues are raised by that activity as well as your business investments.

ANALYSIS

You should consult with the Assembly Rules Committee and Legislative Counsel to determine if the Legislative Code of Ethics (Sections 8920-8926) or other rules in any way restrict your outside activities or investments.

The Political Reform Act^{1/} does not prohibit your outside practice of law. Under the Political Reform Act, you may have to disqualify yourself from decisions which could have a reasonably foreseeable material financial effect on any client who has paid \$250 or more in legal fees to you during the last 12 months.

You must also disqualify yourself from any decisions which will have a reasonably foreseeable material financial effect upon either the companies in which you have investments, or upon sources of income to the companies (i.e., advertisers of the TV station or the cable TV company in the case of the engineering firm); if your pro rata share of a company's gross receipts from a single source equals or exceeds \$250. If you own 25% of a company, this applies to any customer which has paid the company \$1,000 or more during the preceding 12 months. However, for disqualification to be required as to any of these situations, the effect upon your company or your source of income must not only be material but must be distinguishable from the effect upon the public generally. (See our regulations 2 Cal. Adm. Code Sections 18702 and 18703, copies enclosed.)

As to any decision for which disqualification on your part is required, you should advise your supervisor (preferably in writing). This would apply not only to your work as a Committee consultant but also to your participation in any deliberations, discussions or negotiations in which you are involved with members or staff of the Legislature or state agencies.

Should you have any further questions in this regard, please do not hesitate to contact this office. I am enclosing a

^{1/} Government Code Sections 81000-91014. All statutory references are to the Government Code.

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pamphlet describing the conflict of interest provisions of the
Act. I may be reached at (916) 322-5901.

Sincerely,



Robert E. Leidigh
Counsel
Legal Division

REL:pln
Enclosure